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C O N F I D E N T I A L JERUSALEM 000403

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NEA/IPA FOR GOLDBERGER/SHAMPAIN/BELGRADE; PRM FOR PRM/ANE;  
NSC FOR ABRAMS/PASCUAL; TREASURY FOR  
SZUBIN/LOEFFLER/NUGENT/HIRSON; PLEASE PASS TO USAID FOR  
KUNDER/MCCLOUD/BORODIN

E.O. 12958: DECL: 02/28/2018  
TAGS: [ENRG](#) [ECON](#) [KPAL](#) [KWBG](#) [PGOV](#) [PHUM](#)  
SUBJECT: WEST BANK GETS POWER BOOST, BUT EXPANSION LIMITED

REF: A. 2006 JERUSALEM 4335

[1](#)B. TEL AVIV 450

Classified By: Consul General Jake Walles, Reasons 1.4 (b) and (d)

[1](#)1. (SBU) Summary: The interconnection power line between Jordan and Jericho became operational on February 25. The Jerusalem District Electricity Company (JDECO) said that its initial plan was much larger in scope, aiming to connect the Jordan grid to high-voltage lines running to Jericho, Ramallah, and Bethlehem, but GOI objections limited the project to a medium-voltage line to Jericho. With the exception of the new Jordan-Jericho line, all electricity in the West Bank continues to be purchased from Israel. End summary.

Consumer Savings and Hopes For Industrial Growth  
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[1](#)2. (SBU) Based on an August 28, 2006 agreement (ref A), Jericho municipality's electricity grid was connected to that of the Jordan National Electricity Company (JNEC) on February 25, which is now providing the 30,000 inhabitants of Jericho with 20 MW of electricity. The Norwegian government gave JDECO USD 1.5 million to finance construction of the power lines in the West Bank from the Jordanian border. Prior to the new connection, JDECO provided Jericho with 20 MW of electricity from its connection to the Israel Electricity Company (IEC). At an inauguration ceremony in Jericho, JDECO executives formally turned-off the JDECO-IEC line and turned-on the new power line linked to Jordan. JDECO executives told Econoffs that the new line will provide consumers with 15 percent savings on electricity bills and attract new businesses to "electricity rich" Jericho.

Restriction Limited Project Scope  
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[1](#)3. (C) JDECO Director General Hisham Omari told Econoff on February 25 that his company's initial plan in 2004 was to extend a high voltage 140 MW capacity line from Jordan to the West Bank cities of Jericho, Ramallah, and Bethlehem. However, according to Omari, this plan was not acceptable to the Israeli Ministry of Infrastructure, which told him that the connection with Jordan would only be approved for medium voltage lines and only to Jericho. (Note: While the lines laid on the Jordan side have a 140 MW capacity, those on the Palestinian side are limited to 20 MW capacity due to GOI restrictions. End note.)

## Blair Team Interest In West Bank Area C Lack of Electricity

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14. (C) We understand that local World Bank staff is discussing with the Blair team the continued lack of electricity service to numerous West Bank villages in Area C because of GOI restrictions on construction of electricity infrastructure in these areas.

WALLES